ROGUE VALLEY SEWER SERVICES
REGULAR MEETING OF THE BOARD OF DIRECTORS
138 WEST VILAS ROAD
CENTRAL POINT, OR 97502
AUGUST 19, 2026 – NOON
AGENDA

PLEDGE OF ALLEGIANCE

ROLL CALL

1. PUBLIC COMMENT

2. CONSENT AGENDA

2.1. Approval or Corrections to the July 15, 2026 Meeting Minutes

3. PUBLIC HEARINGS

4. RESOLUTIONS AND ORDINANCES

4.1. Resolution 26-18: Interfund Loan - General Fund (01) to Gold Hill Treatment Fund (60)

4.2. Resolution 26-19: Transfer of Appropriations in FY2026 Budget

5. BOARD UPDATES

5.1. 4th Quarter Financials

5.2. Project Updates

5.3. O&M Updates

5.4. General Manager Update

6. CLAIMS LISTING

6.1. Approval of August Claims Listing

7. ADJOURNMENT

CONSENT CALENDAR

PURPOSE:

To obtain Board authorization for routine and/or previously discussed items with indicating consensus for approval.

BACKGROUND:

This agenda item groups routine, non-controversial items for approval in a single action to streamline meetings while maintaining transparency and board oversight. Items considered under this matter today include:

- 2.1: Approval of the July 15, 2026 Board meeting minutes

Any item that a Board Director would like to discuss in detail may be removed from the Consent Calendar for specific consideration.

RECOMMENDED MOTION:

Move to approve the Consent Calendar as presented.

ROGUE VALLEY
SEWER SERVICES
CLEAN WATER - HEALTHY COMMUNITIES

APPROVAL OF MAY MEETING MINUTES

PURPOSE:
To obtain Board approval of the minutes from the July 15, 2026 Regular Meeting of the RVSS Board of Directors.

BACKGROUND:
The minutes of the Board meeting(s) are prepared to accurately reflect the proceedings, actions taken, and decisions made. Board members review the draft minutes to ensure completeness and accuracy. Any corrections or clarifications identified by Board members may be noted and incorporated into the official record prior to final approval. Approval of the minutes, as presented or as amended, formalizes the record of the meeting.

RECOMMENDED MOTION:
Move to approve the minutes presented with any revisions noted.

ROGUE VALLEY
SEWER SERVICES
CLEAN WATER - HEALTHY COMMUNITIES

RESOLUTION 26-18

AUTHORIZATION FOR AN INTER-FUND LOAN FOR FISCAL YEAR 2026 FROM THE GENERAL FUND (01) TO THE GOLD HILL TREATMENT FUND (60)

PURPOSE:
This resolution authorizes an additional interfund loan of $108,000.00 for Fiscal Year 2026 from the General Fund (01) to the Gold Hill Treatment Fund (60).

BACKGROUND:
The FY 2025-26 budget included authorization for up to $500,000 in interfund loans from the General Fund (01) to the Gold Hill Treatment Fund (60) to maintain cash flow for the Gold Hill Intertie Project. The need for interfund financing was anticipated due to the timing differences between project expenditures and reimbursement of loan proceeds, as well as rate limitations established in the 2023 Annexation Agreement.

Project design activities have incurred additional costs associated with scope refinements and cultural resources permitting requirements. While these costs are expected to qualify as applicant match for future funding opportunities, cash flow is required in the interim to fund project expenses incurred during FY 2026.

To date, $130,000 of the authorized $500,000 interfund loan capacity has been utilized pursuant to Resolution 25-35. Approval of the additional $108,000 loan would increase total interfund borrowing to $238,000, which remains $262,000 below the amount authorized in the adopted FY 2026 budget.

This action does not increase the budgeted interfund loan authority previously approved by the Board, but rather provides authorization to utilize a portion of the remaining budgeted capacity.

RECOMMENDED MOTION:
Move to approve Resolution No. 26-18, to initiate an inter-fund loan in the amount of $108,000 for 2025-26 budget from the General Fund (01) to the Gold Hill Treatment Fund (60).

ROGUE VALLEY SEWER SERVICES
JACKSON COUNTY, OREGON
RESOLUTION NO. 26-18

AUTHORIZATION FOR AN INTER-FUND LOAN FOR FISCAL YEAR 2026 FROM THE GENERAL FUND (01) TO THE GOLD HILL TREATMENT FUND (60)

WHEREAS, the FY 2025-26 budget authorized up to $500,000 in interfund loans from the General Fund (01) to the Gold Hill Treatment Fund (60) to support cash flow needs associated with the Gold Hill Intertie Project; and

WHEREAS, project expenditures have occurred in advance of anticipated loan reimbursements and additional design costs have been incurred due to project scope refinements and cultural resources permitting requirements; and

WHEREAS, to date, $130,000 of the budgeted interfund loan authority has been utilized pursuant to Resolution 25-35, and approval of this additional draw will increase total FY 2025-26 interfund borrowing to $238,000, which remains $262,000 below the amount authorized in the adopted budget; and

WHEREAS, the Board finds that an additional draw upon the previously authorized interfund loan authority is necessary to provide adequate project cash flow and continue project implementation;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Rogue Valley Sewer Services, Jackson County, Oregon, authorizes an additional draw upon previously budgeted interfund loan authority in the amount of $108,000 from the General Fund (01) to the Gold Hill Treatment Fund (60) pursuant to ORS 294.468. Funds shall be repaid in full, together with accrued interest at a rate of 1.5 percent per annum, no later than July 1, 2027.

ADOPTED by the Board of Directors of Rogue Valley Sewer Services at its Regular Meeting held August 19th, 2026.

ROGUE VALLEY SEWER SERVICES

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Kay Harrison, Chairman
Board of Directors

COUNTERSIGNED:

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Michael J. Zarosinski, P.E. - Manager

RESOLUTION 26-19

TRANSFER OF APPROPRIATIONS IN FY2026 BUDGET

PURPOSE:
This resolution is to transfer appropriations within certain funds of the FY 2026 budget.

BACKGROUND:
Oregon Local Budget Law requires expenditures to remain within legally adopted appropriations. During the past fiscal year, actual operating costs in some funds exceeded amounts originally budgeted within specific expenditure categories. Sufficient appropriations exist within each affected fund's Contingency category to accommodate these unanticipated costs through budget transfers. Because the proposed adjustments reallocate existing appropriations and do not increase the total appropriations of any fund, appropriate ending fund balance, or create new expenditure authority, the transfers may be approved by resolution of the Board rather than a supplemental budget process. The overall impact of the transfers is $273,300.00 or 0.91% of total appropriations.

General Fund
FY26 included several significant billing corrections related to previously underbilled sewer consumption, including associated treatment revenue; approximately 37 million gallons of sewer consumption were back-billed, covering a 12-month period. As a result, the corresponding treatment charges were incurred and paid, which resulted in a higher treatment expense that is paid to the City of Medford than originally budgeted. Additionally, utility expense exceeded budget as well as increased audit expenses due to work beyond scope for documentation associated with the multiple funding agencies associated with major construction projects. All of these additional activities resulted in higher Materials & Services expenditures than originally projected.

Dunn Pump Station Fund
The Dunn Pump Station Fund incurred unbudgeted generator maintenance expenses during FY26 resulting in Materials & Services expenditures to exceed the original budget.

Gold Hill Treatment Fund
Chemical and utility expenses exceeded the original budget with chemical costs increased approximately 33% compared to the previous fiscal year. This impact is limited to the Material and Services category.

Lagoon Fund
Utility expenses exceeded the amount originally budgeted resulting in higher-than-anticipated Material and Services costs for the fiscal year.

RECOMMENDED MOTION:
Move to approve Resolution No. 26-19, Transfer of Appropriations in FY2026 Budget.

ROGUE VALLEY SEWER SERVICES
JACKSON COUNTY, OREGON
RESOLUTION NO. 26-19

TRANSFER OF APPROPRIATIONS IN FY2026 BUDGET

WHEREAS, the FY 2025-26 budget includes appropriations in Contingency to address unanticipated expenditures and budget adjustments that may arise during the fiscal year; and

WHEREAS, actual expenditures in certain funds exceeded original budget estimates due to unforeseen operating and administrative costs; and

WHEREAS, sufficient appropriations are available within the Contingency category of each affected fund to provide the necessary expenditure authority; and the proposed transfers do not increase total appropriations within any fund and do not appropriate ending fund balance;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Rogue Valley Sewer Services, Jackson County, Oregon, that appropriations within the FY 2025-26 budget are hereby transferred as follows:

Appropriations of $234,000 be transferred from General Fund Contingency as follows:

General Fund (01)	Matls & Services	$234,000

Appropriations of $17,800 be transferred from Dunn Pump Station Fund Contingency as follows:

Dunn Pump Station Fund (06)	Matls & Services	$ 16,800
	Transfers	$ 1,000

Appropriations of $21,000 be transferred from Gold Hill Treatment Fund Contingency as follows:

Gold Hill Treatment Fund (60)	Matls & Services	$ 21,000

Appropriations of $500 be transferred from Lagoons Fund Contingency as follows:

Lagoons fund (70)	Matls & Services	$ 500

BE IT FURTHER RESOLVED that these transfers are made pursuant to Oregon Local Budget Law ORS 294.463 and are necessary to provide expenditure authority within the adopted FY 2026 budget.

ADOPTED by the Board of Directors of Rogue Valley Sewer Services at its Regular Meeting held August 19th, 2026.

ROGUE VALLEY SEWER SERVICES

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Kay Harrison, Chairman
Board of Directors

COUNTERSIGNED:

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Michael J. Zarosinski, P.E. - Manager

Quarterly Financial Report

ROGUE VALLEY SEWER SERVICES

Jackson County, Oregon

Twelve Months Ended June 30, 2026

Prepared by the Finance Department
Brenda Baldovino
Finance Director

From: Brenda Baldovino, Finance Director

Subject: Financial Report - Twelve months Ended June 30, 2026

Date: August 19th, 2026

Items to Note:

Repaid Interfund loan between General Fund and Gold Hill Treatment, plus interest, on July 1 per Resolution 24-20. Resolution 25-35 for interfund loan in the amount of $130,000 for Gold Hill Treatment in 1st quarter due to repayment of previous interfund loan and not enough revenue to cover current expenses. Additional $108,000 interfund loan at year end to cover Gold Hill intertie design costs that are required to be absorbed by RVSS per loan requirements.

08/04/2026 Received notice of reconciliation from plan year 2025 in our FSA account. The variance of $2,528.22 will be deposited into our account shortly.

Increased treatment expenses - several significant billing corrections related to previously underbilled sewer consumption, including the associated treatment revenue. Approximately 37 million gallons of sewer consumption were back-billed, covering a 12-month period. As a result, the corresponding treatment charges were incurred and paid, increasing treatment expense beyond the amount originally budgeted.

ROGUE VALLEY SEWER SERVICES
Assets

	Rate	June 30 2024	June 30 2025	June 30 2026
Fund Balance				
Cash in Umpqua Bank		$ 174,386	$ 179,823	$ 594,634
LGIP Investment Pool		13,604,857	15,089,215	18,823,486
Service Fees Receivable		1,462,542	1,484,371	1,747,807
Accounts Payable		(1,158,683)	(1,213,424)	(1,231,015)
		14,083,102	15,539,985	19,934,912
Less Reserve for Interceptor SDC		3,043,157	3,363,992	3,591,980
Less Reserve for Operations		(1,161,688)	(1,720,582)	(1,359,277)
Unreserved Fund Balance		**$ 15,966,029**	**$ 17,183,395**	**$ 22,167,615**
Interest Rate LGIP		**5.20%**	**4.60%**	**4.00%**
Loans Receivable				
Assessment Loans (12 loans)		$ 98,775	$ 96,528	$ 94,087
Total Loans Receivable		**$ 98,775**	**$ 96,528**	**$ 94,087**
Fixed Assets				
Furniture, fixtures, equipment, vehicles		$ 7,123,008	$ 7,698,440	$ 8,145,526
Land and Site Improvements		876,824	876,824	876,824
Buildings		1,751,395	1,751,395	1,751,395
Utility Plant (pipe, pump stations)		141,977,717	148,430,381	157,505,571
Work In Process		3,961,988	10,440,501	5,160,032
		$ 153,407,900	$ 169,328,830	$ 173,439,348
Less Depreciation		(47,680,065)	(50,053,072)	(52,618,966)
Net Fixed Assets		**$ 105,727,835**	**$ 119,277,899**	**$ 120,820,382**
Long Term Debt and Commitments				
SC - US Bank loan reimbursement	3.00%	-	1,485,000	1,410,000
GH - Business Oregon loan Y15003	1.49%	-	472,751	449,667
GH - USDA loan Series 2017	2.625%	-	597,640	586,031
Total Debt		**$ -**	**$ 2,555,391**	**$ 2,445,698**

ROGUE VALLEY SEWER SERVICES
Fund Balances

		June 30 2024	June 30 2025		June 30 2026
ALL FUNDS COMBINED					
Fund Balance from Page 3		$ 14,083,102	$ 15,539,985		$ 19,934,912
Less Reserve for Interceptor SDC		3,043,157	3,363,992		3,591,980
Less Reserve for Operations (1 month)		(1,161,688)	(1,720,582)		(1,359,277)
Unreserved Fund Balance		**$ 15,964,571**	**$ 17,183,395**		**$ 22,167,615**
BREAKDOWN BY FUND					
General Fund	01	3,859,045	2,966,052		4,836,255
Less Reserve for Interceptor SDC		3,043,157	3,363,992		3,591,980
Less Reserve for Operations (1 month)		(1,161,688)	(1,720,582)		(1,359,277)
Unreserved Fund Balance - General Fund		5,740,514	4,609,462		7,068,958
Other Funds					
Interceptor O&M	04	303,105	415,940	*1	540,579
Dunn Pump Station O&M	06	2,942	2,577	*1	706
Interceptor Capital Expansion fund	07	5,532,493	6,545,866	*1	7,616,195
White City Storm Drain	09	1,069,262	1,191,378	*2	1,311,943
Stormwater Quality	10	1,516,739	1,742,766	*2	2,089,007
Shady Cove - Treatment	50	453,293	580,161	*2	860,146
Treatment Capital	55	1,019,013	1,424,728	*2	1,738,024
Gold Hill - Treatment	60	1,552	118,199	*2	23,853
Gold Hill - Debt Service	62	231,970	364,915	*2	570,854
Lagoons	70	93,688	187,403	*2	347,350
Unreserved Fund Balance - Other Funds		10,224,057	12,573,933		15,098,657

*1 Regional Funds - funding is by assessment of an ICE (Interceptor Capital Expansion fee)
From Medford and RVS

*2 Special Purpose Funds, restricted as to purpose

ROGUE VALLEY SEWER SERVICES
Revenues

	Actual FY25	Budgeted FY26	4th Qtr FY26	% of Budget	% Total Revenue
Service Charges					
General Fund	$ 12,303,468	$ 14,165,047	$ 14,482,799	102%	
Late Charges	70,454	40,000	55,995	140%	
Shady Cove Service Rates	638,447	675,285	812,413	120%	
Gold Hill Service Rates	268,477	270,000	265,521	98%	
Stormwater Fees	420,241	432,002	463,086	107%	
White City Storm Drain Fees	78,327	70,000	78,858	113%	
Subtotal	$ 13,779,414	$ 15,652,334	$ 16,158,672	103%	**69%**
System Development Charges					
Collection SDC	538,876	350,000	510,798	146%	
Interceptor SDC - RVS	207,120	120,000	215,549	180%	
Trunk SDC - White City	10,101	10,000	9,551	96%	
Trunk SDC - Eagle Point	48,063	30,000	19,363	65%	
Collection SDC-Shady Cove	-	2,500	-	0%	
Collection SDC-Gold Hill	675	675	1,380	0%	
Shady Cove SDC Fees	5,324	8,044	3,234	40%	
Gold Hill SDC Fees	475	475	970	0%	
Subtotal	$ 810,634	$ 521,694	$ 760,845	146%	**3%**
Other Revenues					
Loan Payments (SDC, Assmnt Fees)	3,660	7,500	3,783	50%	
Assessment Fees	359,402	400,000	349,764	87%	
Regional Fees - Medford	41,074	50,000	39,973	80%	
Septage	662,815	534,786	744,130	139%	
Lien Search Fees	46,560	60,000	49,515	83%	
Development Fees	50,326	45,000	43,159	96%	
Interest on Investments	662,948	471,063	715,188	152%	
RVS Reimbursements	999,023	645,000	912,776	142%	
Sale of Fixed Assets	19,853	5,000	-	0%	
FOG Surcharge	-	5,000	-	0%	
Stormwater Maintenance Fees	-	17,000	-	0%	
Stormwater Plan Review Inspection	16,500	20,000	13,000	65%	
Construction Erosion Control Permits	32,130	30,000	29,065	97%	
Reimbursement Agreement	85,488	80,000	23,570	29%	
Shady Cove Collection	262,140	234,879	244,937	104%	
Gold Hill Collection	90,000	90,000	90,000	100%	
Gold Hill Sewer Revenue-Debt Portion	153,050	171,984	244,351	142%	

Antelope Rd Loan Reimb #R78492	4,593,155	-	1,200,985	0%	
Cummins DEQ Grants/Loan #R78491	347,526	-	37,308	0%	
SC UV System Loan Reimburse	367,534	1,500,000	1,089,028	73%	
GH Regional Intertie BizOR Loan Reimb	1,331,604	534,418	560,553	105%	
GH Regional Intertie DEQ Loan Reimb	-	2,500,000	-	0%	
Other Revenues	42,940	29,100	32,479	112%	
Subtotal	$ 10,167,728	$ 7,430,730	$ 6,423,564	86%	**28%**
TOTAL REVENUES	**$ 24,757,776**	**$ 23,604,758**	**$ 23,343,081**	**99%**	**100%**
Less Expenditures	**23,300,685**	**26,079,690**	**18,948,147**	**73%**	
Net Revenues over (under) Expenditures	**$ 1,457,091**	**$ (2,474,932)**	**$ 4,394,934**	**-178%**	

ROGUE VALLEY SEWER SERVICES
Expenditures

		Actual FY25		Budgeted FY26		4th Qtr FY26	% of Budget	% Total Expense
Personal Services								
Salaries	$	3,586,105	$	3,766,504	$	3,732,005	99%	
Medical & Health Insurance		1,180,033		1,270,460		1,251,868	99%	
Retirement Plan		299,543		482,438		291,473	60%	
FICA		270,065		280,812		277,279	99%	
Workers Compensation		24,253		26,167		12,344	47%	
HRA Deductible Plan		100,800		103,200		50,334	49%	
Paid Leave Oregon		15,590		17,656		16,089	91%	
Unemployment Self Insured		-		19,925		40,425	203%	
Life Insurance, ADD, LTD		40,541		21,500		20,418	95%	
Subtotal	$	5,516,930	$	5,988,662	$	5,692,235	95%	**30%**
Treatment charges		5,549,060		6,565,099		6,797,670	104%	**36%**
Rehabilitation Projects								
Rehabilitation Projects (see P. 7)		9,369,917		10,200,000		3,706,919	36%	**20%**
Other Expenditures								
Capital Outlay - Other		629,853		999,920		513,067	51%	**2.7%**
Materials & Services - Other		2,080,403		2,126,918		2,079,784	98%	**11%**
Debt Service		154,522		199,091		158,472	80%	**1%**
Subtotal	$	2,864,778	$	3,325,929	$	2,751,323	83%	
TOTAL EXPENDITURES	**$**	**23,300,685**	**$**	**26,079,690**	**$**	**18,948,147**	**73%**	**100%**

ROGUE VALLEY SEWER SERVICES
Rehabilitation Projects
June 30, 2026

Job #	Project Name	Actual FY25	Budgeted FY26	4th Qtr FY26
General Fund (01)				
J084	Antelope Road Ph 1	5,927,748	-	322,221
J177	SC Pump Station #3 Rehab	6,170	350,000	2,620
J225	Laurel St 3rd to 7th	-	-	6,839
J307	White City Manhole Rehab	-	250,000	-
J309	ODOT OR99 Birch/Colmn	1,485	-	-
J338	Warrantee TV & Flush	-	30,000	-
J342	Cristian Avenue Sewer	3,869	95,000	44,050
J344	Ashland PS #2 Force Main	307	-	-
J351	SC System Survey & Manhole	-	30,000	1,000
J353	Echo Way PS Rehab	-	350,000	-
J355	SC PS #2 Rehab	305,677	-	-
J356	FY24 Service Lat Reimburse	20,655	30,000	3,927
J357	FY24 Misc System Repair	424,574	300,000	326,161
J358	FY24 Misc Grinder Pumps	-	100,000	16,616
J359	FY24 Misc CIPP Jobs	-	-	-
J360	Misc Pump Station Upgrades	126,477	50,000	117,111
J362	4th St RR X-ing Abandon	47,779	850,000	170,221
J363	NAPA Sewer WC	12,150	-	87,514
J365	EP PS ARV Replacement	20,048	-	-
J366	Yearly Private Sewer Pro	50,682	40,000	41,899
J367	FY25 Misc CIPP Jobs	8,850	200,000	451,541
J368	Table Rock Rd Emerg Reprts	294,371	-	140
J370	Mills Partition Sewer Rep	39,143	-	200
J371	Yearly Smoke Testing	-	-	6,041
J373	Medford Kings Hwy SD	-	-	13,512
A002	ODOT	-	-	729
B004	Pump Station Solar	3,102	-	-
R028	W Glenwood PS Panel	130	-	-
R030	3550 S Pacific Hwy	(2,694)	-	-
R031	Hudspeth Bore Repair	-	-	7,114
R032	UCCell - Tmobile Bore	-	-	2,573
9999	Privately Funded Projects	20,843	-	-
	Total For Year	**$ 7,311,366**	**$ 2,675,000**	**$ 1,622,029**

Other Funds

	Bear Creek Interceptor (04)			
R022	COVID Sewer Testing	-	-	-
	Dunn Pump Station O&M (06)			
R025	DPS Water Main Repair	-	-	-
	Interceptor Capital Expansion (07)			
I005	New Portable Flow Monitor	3,167	100,000	1,857
I011	Kirtland Rd MH Evaluation&Rehab	-	250,000	2,620
I013	System Modeling	4,995	-	280
	Storm Drain (09)			
D008	Misc Culvert Replacement	-	50,000	-
D002	Ave F and 8th Storm & Sewer	-	400,000	-
D006	Ave F & Agate Storm Rehab	-	200,000	-
	Stormwater(10)			
Q013	Cummins SWF	402,743	-	2,760
Q014	SWQ Coleman Cr Estate	-	5,000	-
Q015	SWQ Coleman to Glenwood	-	5,000	-
Q016	Talent SW Master Plan Final	260	-	-
QXXX	Stormwater Incentive Program	-	100,000	-
Q017	Privately Funded Projects	29,268	40,000	30,579
	Treatment Capital (55)			
C013	UV System	405,799	1,500,000	1,280,856
C014	Headworks Upgrade	-	250,000	-
C026	Yearly Misc Treatment Maint	19,122	150,000	2,332
L003	Compost Project	970	-	-
L010	FY24 Misc Lagoon Repairs	29,431	50,000	24,738
L012	Lagoon Solar Power	1,485	150,000	19,472
LXXX	Lagoon Storage Building	-	250,000	-
L013	Lagoon Card Lock & Truck Scales	-	300,000	-
L014	Lagoon Drying Beds	-	-	2,781
	Gold Hill Treatment (60)			
G012	GH Regional Connection	1,146,225	3,700,000	674,115
G013	FY24 Misc Treatment Maint	15,086	10,000	13,732
G014	Site Electric Gate	-	15,000	-
	Lagoons (70)			
L006	Lagoon Public Access	-	-	28,768
	Total For Year	**$ 2,058,551**	**$ 7,525,000**	**$ 2,084,890**
	Grand Total for Year	**$ 9,369,917**	**$ 10,200,000**	**$ 3,706,919**

ROGUE VALLEY SEWER SERVICES
Appropriations by Fund

	Actual FY25	Budget FY26	4th Qtr FY26	% of Budget
01 - General Fund				
Personnel Services	$ 5,516,931	$ 5,988,662	$ 5,692,235	95%
Materials & Services	7,197,276	8,257,444	8,490,522	103%
Capital Outlay	7,941,189	3,674,920	2,135,096	58%
Debt Service	-	-	-	0%
Transfers	609,698	715,000	646,669	90%
Contingency	-	300,000	234,000	78%
Total Appropriation	21,265,094	18,936,026	16,964,522	90%
04 - Bear Creek Interceptor Maint. Fund				
Materials & Services	4,157	26,649	8,362	31%
Capital Outlay	-	-	-	0%
Transfers	147,821	242,000	140,245	58%
Contingency	-	130,000	-	0%
Total Appropriation	151,978	398,649	148,607	37%
06 - Dunn Pump Station Maint. Fund				
Materials & Services	74,754	60,049	76,842	128%
Capital Outlay	-	-	-	0%
Transfers	57,913	56,000	56,342	101%
Contingency	-	100,000	17,800	18%
Total Appropriation	132,667	216,049	133,184	62%
07 - Interceptor Capital Expansion Fund				
Materials & Services	-	-	(204)	0%
Capital Outlay	8,162	350,000	4,757	1%
Debt Service	-	-	-	0%
Contingency	-	350,000	-	0%
Total Appropriation	8,162	700,000	4,553	1%
09 - White City Storm Drain Fund				
Materials & Services	-	19,500	-	0%
Capital Outlay	-	650,000	-	0%
Transfers	8,654	41,838	10,722	26%
Contingency	-	50,000	-	0%
Total Appropriation	8,654	761,338	10,722	1%
10 - Stormwater Quality Fund				
Materials & Services	20,622	48,908	23,267	48%
Capital Outlay	432,271	150,000	33,339	22%
Debt Service	-	3,069	-	0%

ROGUE VALLEY SEWER SERVICES
Appropriations by Fund

	Actual FY25	Budget FY26	4th Qtr FY26	% of Budget
Transfers	207,996	347,500	222,791	64%
Contingency	-	100,000	-	0%
Total Appropriation	660,889	649,477	279,397	43%
50 - Shady Cove Treatment Fund				
Materials & Services	168,383	155,059	133,239	86%
Debt Service	124,394	125,593	101,047	80%
Transfers	243,406	331,560	327,460	99%
Contingency	-	150,000	-	0%
Total Appropriation	536,183	762,212	561,746	74%
55 - Treatment Capital Fund				
Capital Outlay	456,807	2,650,000	1,330,178	50%
Debt Service	-	13,004	-	0%
Contingency	-	300,000	-	0%
Total Appropriation	456,807	2,963,004	1,330,178	45%
60 - Gold Hill Treatment Fund				
Materials & Services	129,497	84,433	105,210	125%
Capital Outlay	1,161,311	3,725,000	687,847	18%
Transfers	205,596	218,787	210,137	96%
Contingency	-	40,000	21,000	53%
Total Appropriation	1,496,404	4,068,220	1,003,194	25%
62 - Gold Hill Debt Service Fund				
Debt Service	30,128	57,425	57,425	100%
Contingency	-	100,000	-	0%
Total Appropriation	30,128	157,425	57,425	36%
70 - Lagoons Fund				
Materials & Services	34,773	39,975	40,216	101%
Capital Outlay	-	-	28,768	0%
Transfers	539,956	520,000	521,675	100%
Contingency	-	50,000	500	1%
Total Appropriation	574,729	609,975	590,659	97%
TOTAL APPROPRIATIONS	**$ 25,321,695**	**$ 30,222,375**	**$ 21,084,187**	**70%**
PERCENT SPENT TO DATE			**70%**	

August 12, 2026
To: RVSS Board of Directors
From: Nick Bakke, District Engineer

ENGINEERING DEPARTMENT & CAPITAL PROJECT UPDATES

G012, Gold Hill Regional Connection, GH:

This project will replace the existing Gold Hill Treatment plant with two new pump stations which will convey sewer flows within the city to the regional collection system and treatment plant. The administrative process for this project has been ongoing for multiple years. This report will cover the engineering and construction portions of the project. We've obtained a consultant (Tetra Tech, Inc.) to complete the engineering for this project and the project will be funded by state and federal funding sources.

- **Status:** Design
- **Updates:** The following major items (concerns) must be completed and/or addressed prior to securing funding and moving to the bidding process:
  - Complete the cultural resources review and construction monitoring plan
    - USDA has distributed a draft mitigation plan for the work at the treatment plant property. This plan specifies the required excavation, monitoring, and discovery procedures for all earth disturbances. The is a big step in finalizing our plans and specifications.
  - We have reviewed the final plans and specs and sent our comments to the consultant. We are waiting for the revised plans and specs. The final plans and specs must be reviewed and approved by DEQ.
  - Due to a private licensing arrangement between the two railroad companies, license agreements will be required from both Genesee & Wyoming and Union Pacific for both railroad crossings. We will continue to coordinate with the railroad to obtain these agreements.
  - The ODOT Rogue River Bridge project is scheduled for fall of 2026. We are working on finalizing our add work agreement with ODOT.

J177, Shady Cove PS #3 Rehab, Shady Cove

This pump station was rehabbed in 2001 with 13 HP Pumps, valves, and controls. Unfortunately, the station valves were installed inside the existing wet well. The valves are badly corroded and not operable. The pump station will be brought up to RVSS standard with a new integrated fiberglass wetwell/valve vault, Flygt submersible pumps, variable frequency drives, valves, and an electromagnetic flow meter. Design and construction of this station will be quite challenging due to the tight quarters of the existing pump station.

- **Status:** Design
- **Updates:** We are working on a final layout and revised easement boundary.

J225 Downtown CP Sewer Rehab, CP

This project consists of bringing multiple minor substandard sewer systems in old town Central Point to current standard. Completion of these minor projects will likely last multiple years and will be cost effective as our construction crew will be performing the work.

- **Status:** Design/construction
- **Updates:** The construction crew has completed the first of many small projects on Third Street. The next project will be a relatively short section of sewer main on Second Street.

J362 4th St Gold Hill RR Crossing Abandonment, GH

This project will install approximately 1,600' of 8 inch sewer along 4th Street in Gold Hill. The new sewer main will replace and re-grade the existing sewer system in order to abandon two of the four existing sewer mains which cross the railroad tracks. The existing 6" crossings are on the special cleaning list, sub-standard, and would be cost and administratively prohibitive to replace. The two existing crossings that will remain will be rehabbed with CIPP liner. This project will be under construction this fall or early next spring.

- **Updates:** last month we met with the school district, city manager, and the school bus operators to discuss the impact of this project on school traffic. We have formulated a plan to schedule construction of the east portion of this project during the summer of 2027. This will avoid major impacts on bus traffic, and construction of the west portion of this project will begin in early spring of 2027.

L014, Lagoon Drying Beds, WC:

The next phase of the lagoon improvements will install drying beds for dredged solids from lagoon cell 1 and Vactor waste. This project will include placement of fill, grading, and paving to accommodate the new asphalt drying beds.

- **Status:** Design
- **Updates:** We've performed sludge measurements on all three cells of the lagoon system and concluded that most of the sludge accumulation is within Cell 2. Although this is not the intent of the original design, it's not concerning. We've also met with a consultant to possibly assist in formulating a solids handling plan which may include pumping the solids to Medford, building a drying bed, purchasing a dredging system, receiving improvements, or combination of these alternatives.

C013, UV Disinfection, Shady Cove:

This project will upgrade the SC Treatment plant with a new UV Disinfection system.

- **Status:** Final administration
- **Updates:** The walls and ventilation work is complete.

August 12th, 2026

To: RVSS Board of Directors

From: Tim Hammond, Lead Worker

OPERATIONS AND MAINTENANCE UPDATE

Collection System:

Flushing:

-In July, 10.4 miles of pipes were cleaned.

TV Inspection:

-In July, 10.8 miles of pipes were video-inspected.

Treatment Plants:

Shady Cove Treatment Plant:

-Nothing to report.

Gold Hill Treatment Plant:

-Nothing to report.

Lagoon:

- May total Septic, FOG, and PPW received 311,249 gallons.
    - -Fog 54,745
    - -PPW 61,881
    - -Septic 194,623

Vehicles

-Nothing to report

August 12, 2026
To: RVSS Board of Directors
From: Michael J. Zarosinski, P.E. – General Manager

GENERAL MANAGER UPDATE

<u>Pump Station Material Purchase:</u>

At 10:44 pm on August 4th a power outage occurred at Ashland Pump Station 2 and the after-hour crew responded with the portable generator per standard protocol to begin backup power operations. The generator brought on site had been serviced by an outside vendor and it was discovered upon starting that the voltage setting had been left by the vendor in the 480V position rather than the standard 220V for all of our pump stations. The incorrect voltage damaged the SmartRun Controllers and required the use of backup portable pumps for emergency operations. Due to operational need, I have purchased new controllers in accordance with the procurement policy published in Chapter 3 of our code and the new controllers will be installed within the week at a total cost of approximately $15,000.00. Prior to install we have utilized a redundant controller from another pump station that allows us to maintain typical operation until the new controllers are installed.

While this could have been avoided, my review and assessment is that there was not anything done outside of typical procedure and standard steps were not missed. The actual voltage switch is located on the motor inside a panel that is not typically opened during start-up and our standard procedures do not include provisions for verifying the voltage setting for this generator. We will be updating the SOP for this piece of equipment but have already instituted a lock-out policy on the switch itself that prevents changing the voltage position except by authorized personnel.

<u>Southeast Medford/Northwest Phoenix Area Master Plan:</u>

The Rogue Valley is one of the few areas of the state that has taken the step of creating Urban Reserves (UR) through Regional Problem Solving (RPS) to identify key areas of growth for the region. As a summary, Urban Reserves were identified to allow for a doubling of the region's population from 135,000 people in 2000 to 270,000 in 2050 while maintaining distinct community identities and protecting resource lands. Two key areas of reserves are MD-5 and PH-5, which include lands along the North Phoenix Road corridor from Juanipero Road in Medford to Exit 27 in Phoenix. While there has been significant master planning completed by various property owners in the area and coordinated by RVSS, a formal sub-area master plan has yet to be completed. The City of Medford has recognized that sewer service is the most critical utility component to be planned for orderly development of these areas and took the lead in obtaining funding from the state to develop that plan. RVSS will essentially be a sub-recipient of those funds and we have started the process of moving forward in development of a master plan in coordination with Medford, Phoenix, and the property owners. Our intention is to leverage the previous work completed as much as possible, so task assignments are still pending.

Measuring Success

With the intention of developing proper metrics for measuring the impact of the organization's mission and providing a stronger foundation for future regulatory advocacy, staff was tasked with reviewing Bear Creek water quality trends. While consistent monitoring data are available primarily from 1990 to the present, the findings show clear and substantial improvements in water quality over that period, with even greater gains evident when historical records extending to the 1970s are considered. The Agency is continuing to develop a more comprehensive historical model of watershed conditions by identifying and incorporating additional legacy datasets to better understand long-term trends, but initial findings suggest that many of the water quality gains associated with wastewater treatment upgrades and traditional point-source controls have been achieved.

GM Work Updates:

General List:

- Core Delivery, Financial strategy, Systems Management, Master Plans, Operational Strategy

Current Tasks:

- **Gold Hill (Core Delivery)**
    - RR issues - UP done, G&W Advancing
    - DEQ $2 mil loan forgiveness secured
    - Continued work on USDA and DEQ financing documentation

- **Emergency Response Plan and SOP's (Master Plans)**
    - Last update 2016 - USDA funding requirement for Gold Hill
    - Ties to Goal 2 and 3 of Strategic Plan

- **Life-Cycle Asset Management (System Management)**
    - Inspection procedures and GIS management to include formal assessment of remaining life, possible use of AI
    - Ties to Goal 1 of Strategic Plan